

Department of Public Health
and Human Services

Section:
CASE MANAGEMENT

TANF CASH ASSISTANCE

Subject:
Underpayments

Supersedes: FAIM 1504-2 (11/01/00)

References: ARM 46.18.105

GENERAL RULE—When it is determined additional benefits are owed to the household, the worker must take action to locate the household and restore/supplement benefits as appropriate.

Restored or supplemented benefits for an underissuance are only issued if the case of the underissuance meets one of the following:

1. The loss was caused by the agency (including worker or TEAMS error);

EXAMPLE: A change was reported/verified after cutoff which resulted in an increase in benefits, a supplement would be required for the current benefit month.

2. An administrative disqualification for intentional program violation is reversed; OR
3. The federal regulations specifically state that a household is entitled to a restoration or supplement for lost benefits.

Benefits are not restored or supplemented to households for unreported changes. The only actions required for household caused underissuance errors are to correct the case prospectively, document TEAMS case notes and send appropriate notices. Supplements or Restorations are not counted as income or as a resource in the month paid or the following month.

Underpayments are to be promptly corrected (preferably within 30 days) for current participants or those who would be current participants if the error had not occurred. Underpayments are applied in their entirety to existing overpayments.

DEFINITIONS

Supplement—additional benefits issued for the current month to compensate for an underissuance. To determine the amount of a supplement use the best verification available to prospect the circumstances for the current month. If appropriate, average and/or factor.

Restoration—additional benefits issued for a past month to compensate for an underissuance. To determine the amount of a restoration, use actual circumstances for the month to be restored. Therefore, verification such as actual income and household composition must be provided before eligibility for a restoration can be determined.

TIME LIMITS FOR RESTORING BENEFITS

Benefits must be restored if the loss occurred no more than 12 months from the most recent of the following events:

1. The date the household, another person or agency notifies the county of the possible loss to that specific household. The notification to the county office can be either oral or written.
2. The date the county is notified or otherwise discovers that a loss to a specific household has occurred.
3. The date the benefits were found by any judicial action to have been wrongfully withheld. If the judicial action is the first action the recipient took to get restoration, benefits will be restored for no more than 12 months from the date the court action was initiated.

When the judicial action is a review of county action, benefits will be restored for a period of no more than 12 months from whichever of the following dates occurred first:

1. The date the county receives the request for restoration; or
2. If no request is received, the date the fair hearing action was initiated.

► CHANGES IN HOUSEHOLD COMPOSITION

Occasionally the household composition changes from the time the error occurred and the time the restoration is issued (e.g. household splits into two different TANF cases). When this occurs, the underissuance is calculated using the facts of the household situation and composition at the time the underpayment occurred and is issued to the TANF household containing the majority of the original household members at the time the error occurred.

NOTE: If the household with the majority of members cannot be identified, located or determined, benefits will be restored to the household containing the Primary Information (PI) person at the time the error occurred. This would also include situations when each new household has the same number of original household members.

- Example 1: Mom and dad and three children were on TANF and received an underissuance due to the worker making a math error when prospecting income.
- Mom and dad separate. Mom takes two children and dad takes one. The supplement would be issued to mom as her household contains the majority of original participants at the time of the underissuance.
- Example 2: Same situation but there are only two children. Mom and dad separate. They each take one child. A restoration is calculated for the month(s) the household was underissued benefits. Since dad was the PI at the time of the underpayment, the restoration is authorized to his current address.
- **TEAMS PROCESSING**
- See the 1500 section of the TEAMS User Guide, located on the TEAMS Training Website for TEAMS procedures.
- Eligibility Case Manger
1. Calculate the underpayment on TEAMS by entering through all the applicable screens and inputting the correct information for each month in which an error occurred. Once the corrected information is in TEAMS, establish the amount of the underpayment by accessing EXPD. The generated amount will appear on the UNAU screen when accessed.
- NOTE:** You must press ENTER on the EXPD screen in order to update the database with the recalculated amounts.
2. Evaluate the case for outstanding overpayments because underpayments will be applied to any outstanding overpayments.
- **NOTE:** If the balance on the outstanding overpayment is minimal, only authorize one month of underpayment per day, to allow TEAMS to apply the underpayment and adjust the overpayment accordingly.
3. Document the case file in TEAMS case notes (CANS).
 4. Send adequate notice to the participant.
- **MANUAL UNDERISSUANCE**
- Due to the requirement have all participants negotiate and sign a FIA/EP prior to the issuance of benefits, OPA staff can no longer authorize manually calculated underpayments on TEAMS. At this time, in order to have a manually calculated underpayment authorized, please contact your

Section: CASE MANAGEMENT

Subject: Underpayments

RPS or the TANF Policy Specialist. They will work with the appropriate personnel on the TEAMS system to authorize the underpayment.

DB

ΦΦΦ